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OPP3-RAFIDAH

MANUFACTURING SECTOR CAN ACHIEVE 8.3 PCT GROWTH TARGET

KUALA LUMPUR, April 3 (Bernama) -- The manufacturing sector can reach the 8.3 percent annual growth target stated in the Third Outline Perspective Plan (OPP3) between 2001 and 2010, given the concerted measures outlined in the OPP3, International Trade and Industry Minister Datuk Seri Rafidah Aziz said here today.

She said that the target could be achieved by pushing domestic investment, maintaining and increasing the pace of foreign direct investment (FDI), and identifying new growth of areas and related areas of manufacturing.

"It will require concerted efforts, as already outlined in the OPP3, from the production side and marketing side," she told reporters after Prime Minister Datuk Seri Dr Mahathir Mohamad tabled the OPP3 at the Dewan Rakyat.

Rafidah also said that there was a need for closer partnership between the government and private sector to keep track of the growth target.

"We (government) will work closely with the private sector to make sure that what they do in-house or within the industry, commensurate with what is demanded in the more challenging marketplace," she said.

"They (Private sector) must work in tandem with our envisaged growth track. If they don't invest in the right things, if they don't focus on the right areas of manufacturing value-chain or strategise their marketing properly, we may lose out on the utilisation of resources," she said.

Asked on the readiness of the manufacturing industry to survive without any "protection," Rafidah said that protection is currently very minimal and the bulk of Malaysian products are quite competitive.

This is given the fact that 96 percent of Malaysia's tariff within Asean is already below five percent currently, and 60 percent of tariff lines are zero, she said.

"In a sense, they can withstand the imports coming in. As for the rest, which are still being protected, they must upgrade their technology, they must upgrade resources in terms of efficiency, productivity and lowering their cost," she said.

Rafidah said that eventually, the Malaysian manufacturing industry should "not just talk about operating in the domestic market and competing with each other."

They should expand to other markets and be competitive there, she said.

"The bigger market is out there, not in Malaysia," she pointed out.

In tabling the OPP3, Dr Mahathir said that in recognising the challenges ahead arising from globalisation, national development policies would be directed towards building a resilient and competitive nation.

"It will no longer be possible to use national borders to protect low-quality and high-priced products in the domestic market," he said.

"We, Malaysians will have to be more disciplined and competent in whatever we do in order to produce goods and services that can compete in the global marketplace," the Prime Minister said. -- BERNAMA

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